

SUMMARY ANALYSIS OF AMENDED BILL

Author: Sher Analyst: Jeani Brent Bill Number: SB 301

Related Bills: See Prior Analysis Telephone: 845-3410 Amended Date: 05/23/97

Attorney: Doug Bramhall Sponsor: _____

SUBJECT: Salmon and Steelhead Trout Habitat Restoration Credit/Increases Amount and Extends Repeal Date

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

☒ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 7, 1997, and AMENDED March 31, 1997, STILL APPLY.

OTHER - See comments below.

SUMMARY OF BILL

This bill would increase the amount of salmon and steelhead trout habitat restoration credit that may be claimed from 10% to 15% of the qualified costs incurred by the taxpayer and would increase the maximum credit that may be allocated to any one taxpayer in any year from \$50,000 to \$100,000.

SUMMARY OF AMENDMENT

The amendment removed the language that would have increased the maximum annual aggregate amount of salmon and steelhead trout habitat restoration credit that may be granted to all taxpayers and that would have extended the repeal date two years.

Except for the changes noted above and the following Tax Revenue Estimate, the department's prior analyses of the bill as introduced February 7, 1997, and as amended March 31, 1997, still apply.

Tax Revenue Estimate

As amended, the bill would result in a larger credit for each qualified taxpayer; however, any incremental revenue losses would be minor as the annual credit allocation to all taxpayers would remain at \$500,000. To the extent qualified taxpayers would be unable to apply the additional amount of credits allocated,

DEPARTMENTS THAT MAY BE AFFECTED:

____ STATE MANDATE

____ GOVERNOR'S APPOINTMENT

Department Director Position:

☐ S ☐ O
☐ SA ☐ OUA
☐ N ☐ NP
☐ NA ☐ NAR
☐ PENDING

Agency Secretary Position:

☐ S ☐ O
☐ SA ☐ OUA
☐ N ☐ NP
☐ NA ☐ NAR
DEFER TO _____

GOVERNOR'S OFFICE USE

Position Approved _____
Position Disapproved _____
Position Noted _____

Department/Legislative Director Date

Agency Secretary Date

By: Date:

the stock of carryover credits potentially could increase revenue losses incrementally in subsequent years when carryover credits are applied.

This analysis does not consider the possible changes in employment, personal income, or gross state product that could result from this measure.

Tax Revenue Discussion

As amended, the bill would increase the credit percentage from 10% to 15% and the maximum credit per taxpayer per year from \$50,000 to \$100,000. The revenue impact of this bill was determined by: (1) the amount of qualified costs paid or incurred for salmon and steelhead trout habitat restoration and improvement projects, (2) the additional amount of credits that could be allocated to taxpayers in any given year, and (3) the amount of credits that could be applied to reduce tax liabilities.

Based on incomplete information to date for the initial years 1995 and 1996, credits allocated by the Department of Fish and Game are less than \$200,000.